December 3, 1987

Linda C. Harvey Administrative Assistant General Telephone Company 1121 L Street, Suite 407 Sacramento, CA 95814

> RE: Your Request for Advice Our File No. A-87-281

Dear Ms. Harvey:

You have requested advice regarding the lobbying disclosure provisions of the Political Reform Act of 1974.1/

# QUESTION

- 1. Is an employee luncheon at which a legislator is a guest and at which he or she speaks a lobbying expense for reporting purposes?
- 2. Is the meal provided to the legislator considered a gift under the Political Reform Act?

## CONCLUSIONS

- 1. An employee luncheon, such as you have described, is not considered a reportable activity.
- 2. The cost of the legislator's meal at the above-mentioned luncheon is not considered a gift. Therefore, it does not need to be reported.

### **FACTS**

Your company holds regularly scheduled luncheons, attended by a number of General Telephone Company employees, to which a state legislator is invited to have lunch and make a brief presentation. These luncheons are prearranged and held for a specific purpose; to "get acquainted," not to lobby the legislator on any pending or proposed legislation.

<sup>1/</sup>Government Code Sections 81000-91015. All statutory references are to the Government Code unless otherwise indicated. Commission regulations appear at 2 California Administrative Code Section 18000, et seq. All references to regulations are to Title 2, Division 6 of the California Administrative Code.

Linda Harvey Page Two

You did not mention whether the legislator receives an honorarium for speaking.

# ANALYSIS

The Act provides for an exemption to the disclosure requirements for lobbyist employers when providing free admission, food, beverages and similar nominal benefits to state elected officers at an event at which the state officer speaks, participates in a panel or seminar or performs a similar service. (Regulation 18623(a), copy enclosed.) It appears as if your employee luncheons are included in this exemption.

This determination was arrived at by interpreting the term "event," as used in Regulation 18623(a), and then applying it to your particular circumstance. Since your luncheons are held on a regular basis, prearranged, and for a specific purpose, they seem to fall into this category of events exempt from reporting. In addition, the fact that the luncheons are attended by a group of employees further supports the concept that the legislator is speaking at an "event."

The Commission may soon provide a more definitive interpretation of the term "event," as used in Regulation 18623(a). This interpretation may not include your luncheons. Therefore, please review your FPPC Bulletin on a regular basis, as this publication will inform you of any changes in Commission interpretation of the Regulation.

Honorara paid to legislators directly or indirectly by a lobbyist or lobbying firm are considered gifts unless it is clear from all of the surrounding circumstances that the services provided represent equal or greater value than the payment received. (Regulation 18623(b).) When an honorarium is provided directly or indirectly by a lobbyist, lobbying firm, or lobbyist employer, it must be reported as an activity expense. (Regulation 18623(c).)

If you have additional questions, please call me at (916) 322-5662.

Sincerely,

Diane M. Griffiths General Counsel ,

Kevin S Braaten-Moen

Political Reform Consultant



Nov 3 3 16 FF 87

General Telephone Company of California

Senator Building 1121 "L" Street, Suite 407 Sacramento, California 95814 916 441-3530

in reply refer to

October 30, 1987

Fair Political Practices Commission 428 J Street, Suite 800 Sacramento, CA 95814

Attn: Technical Assistance

Our company holds regularly scheduled luncheons which are attended by groups of employees, at which a legislator is invited and makes a brief presentation. The purpose of these luncheons is for employees and the legislator to "get acquainted" and not to lobby the legislator regarding any proposed or pending legislation.

Please advise if these luncheons are considered a lobbying activity and is the cost of the legislator's meal considered a gift.

Sincerely

Linda C. Harvey

Administrative Assistant



# California Fair Political Practices Commission

November 4, 1987

Linda C. Harvey GTE Senator Building 1121 "L" Street, Suite 407 Sacramento, CA 95814

Re: 87-281

Dear Ms. Harvey:

Your letter requesting advice under the Political Reform Act was received on November 4, 1987 by the Fair Political Practices Commission. If you have any questions about your advice request, you may contact me directly at (916) 322-5662.

We try to answer all advice requests promptly. Therefore, unless your request poses particularly complex legal questions, or more information is needed, you should expect a response within 21 working days if your request seeks formal written advice. If more information is needed, the person assigned to prepare a response to your request will contact you shortly to advise you as to the information needed. If your request is for informal assistance, we will answer it as quickly as we can. (See Commission Regulation 18329 (2 Cal. Adm. Code Sec. 18329).)

You also should be aware that your letter and our response are public records which may be disclosed to the public upon receipt of a proper request for disclosure.

Very truly yours,

Jeanne Pritchard Lu gal-

Chief

Technical Assistance and Analysis
Division

JP:plh